

REBIRTH OF AN ETHICS AGENCY

CONNECTICUT OFFICE OF STATE ETHICS

**CALENDAR YEAR 2005
REPORT TO THE
GOVERNOR**

Submitted April 15, 2006

I. Introduction.

The year 2005 was a tumultuous one for the former State Ethics Commission (SEC) and its replacement agency, the Office of State Ethics (OSE). The General Assembly voted in Special Session to eliminate the former State Ethics Commission and replace it with a new Office of State Ethics in June 2005. The legislature provided the three-month period of July 1 to September 1, 2005, for the planning, initiating and implementation of the statutory and administrative framework for the new agency. It was clear to all involved that only a temporary structure for such a new organization could actually be put into place within such a short time span.

Mitchell Pearlman, the long-time head of the Freedom of Information Commission (FOIC), was appointed to run the new Office of State Ethics on an interim basis. He authored a detailed report containing his conclusions, ideas, plans and suggestions with respect to the permanent infrastructure and operations of the new agency. His full document, “An Agency under Construction,” is attached to this report. The following provides an overview of the progress of the OSE since the later months of 2005, when the designated officials appointed members of the Citizen’s Ethics Advisory Board, which subsequently hired a permanent Executive Director.

II. Transition Period.

A. State Ethics Commission. Pursuant to Section 1-80 (a) of the General Statutes, as amended by Section 2 (a) of Public Act 05-183, effective July 1, 2005, the SEC no longer existed after June 30, 2005. It was succeeded by a new, independent agency—the OSE.

1. Transfer of SEC Personnel. Pursuant to Section 36 of Public Act 05-183, the staff members of the SEC were transferred to other state agencies, along with the funding for their positions.

B. Interim Executive Director. Pursuant to Section 35 of Public Act 05-183, the Governor, Speaker of the House and President Pro Tempore of the Senate appointed Mitchell Pearlman as Interim Executive Director. In this capacity, he was responsible for overseeing the transfer of the responsibilities and duties of the SEC to the OSE. Pearlman also assumed the duties and powers conferred on the Executive Director of the OSE, as set forth in Section 1-81 of the General Statutes, as amended by Section 3 of Public Act 05-183.

Pearlman selected members of his staff at the FOIC to administer the new OSE, along with a few Durational Project Managers (temporary employees). This skeleton crew kept the office afloat. During this time, Pearlman postponed any major decisions pertaining to the agency.

C. Interim Members of the Citizen's Ethics Advisory Board (CEAB). Persons serving as SEC commissioners as of June 30, 2005, were permitted to serve as members of the CEAB from July 1, 2005, to September 30, 2005. All eight members serving as SEC commissioners as of June 30 chose to continue their service.

III. Current Board Members and Executive Director.

A. Board Members. It is noteworthy that in a period of just a few months, the agency under transition experienced oversight by three separate boards: the former SEC commissioners, those members serving, as noted above, in the interim period and the new

CEAB. The appointments of the first new CEAB members became effective on October 1, 2005. Current board members include:

- **Patricia T. Hendel, Chairperson**, of New London, appointed by Speaker of the House of Representatives, James A. Amann, for a two-year term expiring on September 30, 2007.
- **Robert N. Worgaftik, Vice-Chairperson**, of Avon, appointed by Governor M. Jodi Rell for a four-year term expiring on September 30, 2009.
- **Jaclyn Bernstein** of Farmington, appointed by Governor M. Jodi Rell for a three-year term expiring on September 30, 2008.
- **Rebecca M. Doty** of Rockfall, appointed by House Majority Leader, Christopher G. Donovan, for a two-year term expiring on September 30, 2007.
- **Enid Johns Oresman** of Darien, appointed by Senate Majority Leader, Martin Looney, for a four-year term expiring on September 30, 2009.
- **Dennis Riley** of Norwich, appointed by Senate President Pro Tempore, Donald E. Williams, for a four-year term expiring on February 15, 2010.
- **Michael Rion** of West Hartford, appointed by Governor M. Jodi Rell for a three-year term expiring on September 30, 2008.
- **Scott A. Storms** of Windsor Locks, appointed by House Minority Leader, Robert M. Ward, for a two-year term expiring on September 30, 2007.
- **Sister Sally J. Tolles** of Windham, appointed by Senate Republican Leader, Louis C. DeLuca, for a four-year term expiring on September 30, 2009.

B. Meetings. During the period of November 7, 2005, to December 13, 2005, this new Board held five meetings to discuss, among other agenda items, the hiring of an Executive Director (the only OSE staff member under the Code that is hired by the Board). The Executive Director search was nationwide, resulting in nearly 100 applicants. The Board members narrowed down the field to five finalist candidates, whom they interviewed in the first few weeks of December 2005.

C. Hiring of Executive Director. On December 13, 2005, the Board unanimously selected Benjamin Bycel, the founding Director of the Los Angeles Ethics Commission, to be the first Executive Director of the OSE. In light of the impending departure of the Interim Executive Director on December 23, 2005, Bycel and Chairperson Patricia Hendel, on behalf of the Board, agreed that the work of rebuilding the agency needed to begin immediately to ensure success. He began work on December 16—just three days after being hired.

IV. December 13 to December 31, 2005.

While the interim staff kept the new OSE operational, they were not empowered, nor did they have the staff, to make decisions that would affect the long-term work of the agency under the new Executive Director. Thus, the following items were in need of immediate attention when Bycel's duties commenced:

- The software programs for all information gathering by the OSE had crashed, thereby preventing electronic filing;
- Three separate lobbyist filings due in early January needed to be organized without the aid of electronic filing;

- The interim staff, by pre-arrangement, had by and large gone back to their regular positions;
- The office equipment, in general, did not function properly;
- The general and investigatory files were in disarray;
- There were existing investigations in need of resolution;
- The temporary general counsel's office was far behind in answering requests for opinions, even with a superb effort by the two temporary attorneys; and
- The OSE had few working contacts with other agencies in the state.

V. First Quarter 2006 Progress.

Although agency annual reports to the Governor traditionally focus only on the prior calendar year, the Board believes it is important to note that the Board, Executive Director and OSE staff have addressed each of the above issues. What follows are some of the accomplishments at the OSE since January 1, 2006.

- Implemented a working budget as well as developed a 2007 budget that was satisfactorily passed through the Appropriations Committee;
- Created 19 staff positions, approved by the Department of Administrative Services and the Office of Policy and Management, with specific job titles and descriptions;
- Surveyed numerous computer specialists concerning the development of new software for an online filing and research system;
- Hired an Education Officer, an acting Enforcement Director, an acting General Counsel, an Assistant Ethics Enforcement Officer and made permanent two Assistant General Counsels;

- Met with the editorial boards of two of the largest newspapers in the state;
- Met with the Lieutenant Governor and representatives of the minority and majority parties in the General Assembly;
- Testified before the General Assembly, the Appropriations Committee and its subcommittee, General Government A;
- Issued one Board and approximately 70 staff opinions to the regulated community;
- Planned and implemented expanded office space to include an open and user-friendly public area;
- Participated in a training session for the General Assembly; and
- Processed over 1,500 lobbyist reports.

VI. The Future.

The OSE and the full Citizen's Ethics Advisory Board are working hard to build the infrastructure of the agency. Meanwhile, the substantial services of legal interpretation and enforcement are being met with top priority given to accuracy and timeliness.

The Board and the staff of the OSE are well aware of their responsibilities and duties under the law. They will continue to educate the regulated community about the codes; interpret and apply the codes; investigate and issue complaints for potential violations; and provide public information in the best tradition of an open, independent agency.

Respectfully submitted

Patricia T. Hendel, Chairperson

Dated _____